

Message Text

CONFIDENTIAL

PAGE 01 PORT O 03444 152255Z
ACTION XMB-04

INFO OCT-01 ARA-10 ISO-00 EB-08 SS-15 /038 W
-----003872 160332Z /72

R 152130Z NOV 77
FM AMEMBASSY PORT OF SPAIN
TO SECSTATE WASHDC 1573

C O N F I D E N T I A L PORT OF SPAIN 3444

E.O. 11652: GDS
TAGS: ETRD, OVIP (MOORE, JOHN), TD
SUBJECT: VISIT OF EXIM BANK PRESIDENT MOORE

REF: PORT OF SPAIN 3345

1. PRESIDENT MOORE AND PARTY MET ON FRIDAY, NOVEMBER 11, WITH THREE MINISTERS IN THE MINISTRY OF FINANCE (MERVYN DE SOUZA, ERROL MAHABIR, AND OVERAND PADMORE), DR. KENNETH JULIEN, COORDINATOR OF THE ENERGY-BASED DEVELOPMENT PROGRAM AND CHAIRMAN OF THE BOARD OF THE IRON AND STEEL COMPANY (ISCOTT), AND FRANK BARSOTTI, PERMANENT SECRETARY IN THE MINISTRY OF FINANCE.

2. MOORE DESCRIBED THE CLIMATE IN THE UNITED STATES AS A RESULT OF THE DIFFICULTIES IN THE STEEL INDUSTRY, WHICH HAS PREVENTED THE EXIM BANK FROM APPROVING THE LOAN REQUESTED BY ISCOTT, NOTING THAT THE TIMING OF THE APPLICATION WAS PARTICULARLY BAD. HE ALSO DESCRIBED SEVERAL STUDIES UNDER-TAKEN WITHIN THE USG IN AN EFFORT TO REACH A FAVORABLE DECISION ON THIS APPLICATION. HE EMPHASIZED THAT THEIR INABILITY TO ACT FAVORABLY IN THIS INSTANCE DOES NOT MEAN THAT THE USG IS NOT SYMPATHETIC TO THE GOTTS DEVELOPMENT PROGRAM, AND SAID THAT EXIM HOPES TO BE ASSOCIATED WITH OTHER MAJOR PROJECTS THE GOTTS IS CONSIDERING.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PORT O 03444 152255Z

3. TRINIDADIANS MADE A NUMBER OF POINTS:
A) GOTTS DOES NOT CONSIDER STEEL MILL A ONE-TO-ONE PROPOSITION. THEY BELIEVE FULL RANGE OF DEVELOPMENT PROGRAM, WHICH WILL INVOLVE SUBSTANTIAL IMPORTS OF U.S. TECHNOLOGY AND PRODUCTS INCLUDING STEEL, SHOULD HAVE BEEN TAKEN INTO ACCOUNT.

B) GOT PLACED ORDER FOR DIRECT REDUCTION PLANT WITH MIDREX ON THE BASIS OF A PRELIMINARY COMMITMENT ISSUED BY EXIM (NOW EXPIRED). THE GOT HAS ACTUALLY DISBURSED \$10 MILLION TOWARD THIS PLANT, NOW BEING FABRICATED IN THE U.S., OUT OF ITS OWN FUNDS. MINISTERS SUGGESTED THAT REFUSAL NOW TO FINANCE IT WOULD BE AN ACT OF BAD FAITH ON EXIM'S PART.

C) POSITION THAT EXIM COULD FINANCE SPONGE IRON PLANT IF IT IS NOT RELATED TO EXPORT OF STEEL TO THE U.S. IS IN EFFECT AN ATTEMPT TO RESTRICT TRINIDAD AND TOBAGO TO ROLE OF EXPORTER OF PRIMARY PRODUCTS, AND "HUMAN RIGHTS" INCLUDE RIGHT FOR THEM TO ASPIRE TO HIGHEST LEVELS OF TECHNOLOGY.

D) U.S. FIRMS ARE PREFERRED VENDORS FOR MELT SHOP AND ROLLING MILL, BUT BECAUSE OF EXIM ACTION, EQUIPMENT WILL NOW BE PURCHASED FROM OTHER COUNTRIES.

4. MEETING WAS NOT A HAPPY ONE, FOR EITHER SIDE. NEVERTHELESS, WE BELIEVE THE VISIT WAS USEFUL. WE HAVE REASON TO BELIEVE THAT GOT OFFICIALS UNDERSTAND THE U.S. POLITICAL PROBLEM BETTER THAN THEY WOULD ADMIT IN FORMAL MEETING, AND MOORE'S WILLINGNESS TO COME TO PORT OF SPAIN TO DISCUSS THE ISSUES CANDIDLY AND ACCEPT THE INEVITABLE CRITICISM WAS UNDOUBTEDLY CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PORT O 03444 152255Z

APPRECIATED.

5. MOORE TOLD AMBASSADOR THAT HE WAS UNAWARE OF ROLE PC ON MIDREX APPLICATION FOR FINANCING HAD PLAYED IN THE SOURCING OF THE DIRECT REDUCTION PLANT, AND SUGGESTED HE WOULD TAKE ANOTHER LOOK AT IT FROM THIS ANGLE. WE WOULD APPRECIATE BEING KEPT INFORMED OF THE EXIM BANK'S REVIEW OF THIS MATTER.

FOX

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESIDENT, VISITS, BANKS
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PORTO03444
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770423-0853
Format: TEL
From: PORT OF SPAIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771157/aaaabwxw.tel
Line Count: 103
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ec1fc519-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 PORT OF SPAIN 3345
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Apr-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 584126
Secure: OPEN
Status: NATIVE
Subject: VISIT OF EXIM BANK PRESIDENT MOORE
TAGS: ETRD, OVIP, TD, (MOORE, JOHN)
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/ec1fc519-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009